

**134.590 Refund of ad valorem taxes or taxes held unconstitutional.**

- (1) When it appears to the appropriate agency of state government that money has been paid into the State Treasury for ad valorem taxes when no taxes were in fact due or for taxes of any kind paid under a statute held unconstitutional, the agency of state government which administers the tax shall refund the money, or cause it to be refunded, to the person who paid the tax. No refund or credit shall be authorized to a person who has made payment of the tax due on any tract of land unless the entire tax due the state on the land has been paid.
- (2) No refund shall be made unless an application for refund is made within two (2) years from the time payment was made. No refund for ad valorem taxes, except those held unconstitutional, shall be made unless the taxpayer has properly followed the administrative remedy procedures established through the protest provisions of KRS 131.110, the appeal provisions of KRS 133.120, the correction provisions of KRS 133.110 and 133.130, or other administrative remedy procedures.
- (3) When it has been determined that city, urban-county, county, school district, consolidated local government, or special district ad valorem taxes have been paid to a city, urban-county, county, school district, consolidated local government, or special district when no taxes were due or the amount paid was in excess of the amount finally determined to be due, the taxes shall be refunded to the person who paid the tax.
- (4) Refunds of ad valorem taxes shall be authorized by the mayor or chief finance officer of any city, consolidated local government, or urban-county government for the city, consolidated local government, or urban-county government or for any special district for which the city, consolidated local government, or urban-county government is the levying authority, by the county judge/executive of any county for the county or special district for which the fiscal court is the levying authority, or by the chairman or finance officer of any district board of education.
- (5) Upon proper authorization, the sheriff or collector shall refund the taxes from current tax collections held by the sheriff or collector. If there are no such funds, refunds shall be made by the finance officer of the district. The sheriff or collector shall receive credit for any refunds made by the sheriff or collector on the next collection report to the district.
- (6) No refund shall be made unless an application is made within two (2) years from the date payment was made. If the amount of taxes due is in litigation, the application for refund shall be made within two (2) years from the date the amount due is finally determined. No refund for ad valorem taxes, except those held unconstitutional, shall be made unless the taxpayer has properly followed the administrative remedy procedures established through the protest provisions of KRS 131.110, the appeal provisions of KRS 133.120, the correction provisions of KRS 133.110 and 133.130, or other administrative remedy procedures.
- (7) Notwithstanding other statutory provisions, for property subject to a tax rate that is set each year based on the certified assessment, any loss of ad valorem tax revenue suffered by a taxing district due to the issuance of refunds may be recovered by making an adjustment in the tax rate for the following tax year.

**Effective:** July 15, 2002

**History:** Amended 2002 Ky. Acts ch. 346, sec. 172, effective July 15, 2002. -- Amended 1996 Ky. Acts ch. 344, sec. 2, effective July 15, 1996. -- Amended 1992 Ky. Acts ch. 391, sec. 5, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 177, sec. 2, effective July 13, 1990. -- Amended 1980 Ky. Acts ch. 270, sec. 1, effective July 15, 1980. -- Amended 1966 Ky. Acts ch. 187, Part I, sec. 2. -- Amended 1954 Ky. Acts ch. 5, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 162, 163, 4114h-7.